

POLICY PAPERS

**USAID LOCAL GOVERNANCE
PROGRAM AND LOCAL
GOVERNMENT PARTNERSHIP
PROGRAM**

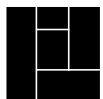
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USAID LOCAL GOVERNANCE PROGRAM

HELPING POLAND CREATE EFFECTIVE, RESPONSIVE, AND ACCOUNTABLE LOCAL GOVERNANCE FOR THE 21ST CENTURY

In response to requests and suggestions from numerous Polish institutions, the U.S. Agency for International Development (USAID) will give high priority over the next four years to a new *Local Governance Program*, designed to help gminas become more effective, responsive, and accountable. Indeed, this program aims to assist gminas in implementing a bold new paradigm of local governance in Poland—one that will enable them to forcefully address the formidable challenges and opportunities they will face in the 21st century. Key features of the program are:

- It will *regard the gminas themselves as its primary clients* (individually and through their own associations), and will be planned, monitored, and adjusted in partnership with them. It will, however, also work collaboratively with a host of supporting Polish institutions including, for example the Municipal Development Agency (MDA), universities, and other Polish consulting and training institutions.
- It will *increasingly rely on Polish professionals* (rather than outside experts) to provide technical assistance and training, and it sees the strengthening of indigenous municipal support institutions and networks as a key objective.
- While it will be based on new principles of effective local governance that are winning widespread international acceptance, it will *focus on helping Polish gminas learn from each other* rather than attempting to import fixed solutions from other countries. This means: (a) identifying successful innovations now being implemented by Polish gminas, (b) working closely with individual gmina officials to design and implement additional innovative practices, and then (c) broadly disseminating the resulting "success stories" and supporting frequent opportunities for gminas to meet together directly to enhance their nation-wide application.
- It will *work closely with other private and public institutions* (including other international donors) to coordinate activities and leverage resources so as to gain maximum impact of all of its initiatives.

The emphasis placed on this program by USAID and many Polish counterparts is born out of a new international awareness of the fundamental importance of effective local governance in achieving the most basic goals of all societies and recent evidence of how local government reforms can have tremendously positive impacts on these goals.

This document begins by discussing why the opportunity for strengthening local government is so important at this point in Poland's history. It then describes the main themes of the new paradigm for effective local governance—all of which are, in fact, being endorsed and acted upon by innovative gminas in Poland today. Finally, it describes the activities of the USAID program and explains how they have been designed to help Polish gminas reach toward that paradigm.

CHALLENGES AND OPPORTUNITIES: THE LOCAL ROLE

As the 20th century draws to a close, Poland faces enormous challenges in strengthening its economy and other institutions so that all of its citizens will have realistic opportunities to gain employment and earn decent incomes, free themselves of environmental hazards, and in other ways enhance the quality of their lives. Starting with the landmark *Local Self-Government Act of 1990*, Poland has shifted substantial responsibility for government's role in addressing these challenges to the local level.

Generally, the importance of local government action to societal objectives has been under recognized. The efficiency of the national economy and its capacity to generate employment, for example, will depend on a variety of *local* conditions, including the skills and health of the local work force, the availability and cost of land, the quality and cost of local infrastructure services, and the general "atmosphere" for business in the area (e.g., whether there is an hospitable or onerous local regulatory environment). Local governments either are directly responsible for, or have substantial influence over, all of these factors.

Infrastructure systems are an important example. Because of practices in force through the 1980s, today's gminas have inherited severely deteriorated and inefficient infrastructure. With old and poorly maintained water distribution systems, water quality is often below standard and a sizeable share of all water produced is lost (mostly due to leakage) before it reaches consumers. Wastewater systems are even more problematic. Traditional practice favored expensive mechanical treatment plants, with capacities often far in excess of real needs. Because of the cost, such plants could not be provided everywhere. In many areas all wastewater is still being discharged directly into watercourses without treatment. But even where plants were provided there are serious problems. Inefficient initial designs imply high operating costs and past traditions offered weak incentives for effective operating practices or proper maintenance and repair.

Similarly inappropriate incentives affecting other local infrastructure systems (e.g., local roads, district heating, solid waste disposal) have led to similar results: deterioration, high costs per unit of service due to inefficient initial facility designs and inadequate operating and maintenance practices. The direct effects on the environment are devastating. The indirect effects may be more important, but are less widely recognized. High infrastructure costs and poor service levels add significantly to the costs of doing business in any location and, in and of themselves, reduce the competitiveness of Polish enterprise.

These problems, however, can also be regarded as a significant opportunity. Reforms that notably improve the efficiency of service provision, coupled with sensible modern financing techniques, regulations, and management can free up substantial resources for new strategic investment (in education, land development, and more effective infrastructure) that may be critical to attracting new economic activity, removing environmental deficiencies and enhancing, the quality of the living environment for local residents.

A growing number of Polish gminas are implementing innovative programs to take advantage of opportunities like these, but a significant number do not yet have the capacity to do so. Many are unaware of the successful reforms that have been implemented and how they work and/or do not have staff with the skills needed to implement them. Gminas throughout the nation are requesting assistance to learn new techniques in strategic planning and budgeting, economic development, infrastructure financing and development, land management, and a host of other fields.



Finally, gminas do not have the financial resources needed to address all of their challenges effectively. This is in part because they lack experience and skill in the techniques of effective local resource mobilization (including, for example, credit financing for longer term investments). But it is also partially due to faults remaining in national laws and regulations affecting local government finance.

EFFECTIVE LOCAL GOVERNANCE: THE NEW PARADIGM

A number of Polish gminas are already overcoming constraints and making bold changes to improve the way local government functions are performed, although these practices are not yet widespread. Examining the agendas of these gminas along with world-wide trends in local government reform, we find a definite pattern around a set of four internally consistent themes. Together these themes add up to what can be thought of as a new paradigm for local governance in the coming century.

Increasing Local Governments' Capacity to Efficiently Deliver Services and Manage Local Resources

More than anything else, the new paradigm rests on local governments becoming more *self-reliant and entrepreneurial*. In the past, local officials world-wide have been characterized by an attitude of dependency—waiting for guidance, as well as funding, from above. In the new paradigm, local officials do more to take charge of their own destinies. A first step here is exercising leadership beyond the bureaucracy to mobilize other community leaders and the public at large in addressing local problems and opportunities. This kind of leadership almost always necessitates establishing *long-term strategic planning and budgeting* as a regular process in government. Local governments have to establish priorities, and some form of strategic planning is the only way to accomplish this meaningfully. Further, strategic plans do not become "real" until their financial feasibility has been explicitly examined.

Second, this theme entails a variety of new techniques to improve efficiency and effectiveness within government. These include, for example: (1) *performance measurement* (keeping clear records of the output of all agencies and relative measures of efficiency—e.g., cost per unit of service provided); (2) *independent and objective audits* of performance and financial management; (3) *performance contracts* that link the compensation (and continued employment) of suppliers (government departments, private firms, or NGOs) to specified performance targets by contract; (4) *decentralization of responsibility within government* (giving lower level officials clear performance targets but then leaving them a great deal of latitude in deciding how those targets can best be achieved); (5) *introducing customer orientation and access* (e.g., publishing agency operating plans and performance reports, streamlining regulatory processes to save time for the public, performing regular surveys of consumer satisfaction, placing service beneficiaries on agency boards and management committees); and (6) establishing a *competitive mode of service provision* (contracting out specific functions to competing private firms, assigning activities to non-profit NGOs on a short-term contract basis and/or introducing competition between units within government or having government units compete with firms and NGOs).

Increasing Public Participation in Local Government Decision Making

Sound governance and effective performance of public functions requires a strong civil society—a set of public-interest oriented organizations outside of government such as community-based organizations, special interest NGOs, and broader non-governmental leadership coalitions. Where this sort of civic infrastructure exists, accountability is likely to be enhanced, and "social capital" is created that supports and facilitates the performance of all public functions. This is particularly valuable where such institutions and networks work collaboratively with government, and with each other.

A step in this direction is illustrated by local governments encouraging the public to participate directly in reviewing options for local capital investment and setting priorities in the municipal capital budget. A next step is encouraging the formation of non-governmental institutions to play a continuing role in governance. The most talked about examples here are the many grass roots, community-based-organizations emerging around the world. Sometimes they provide their own public services directly, and/or contribute importantly and directly to financing them. However, their *raison d'être* has often been to make governments more accountable. They have done this by articulating community needs, applying pressure to see that they are addressed, and watching over the performance of the agencies that deal with them.

Increasing the Influence of Local Government on National and Regional Policy

An additional requirement of the new paradigm is the establishment of effective relationships with higher level governments. In Poland, as in many other countries, the central government has officially delegated new functions to local governments, but has been slow to grant local officials enough flexibility to operate them efficiently or enough resources, and authority to raise local revenues, needed to pay for them.

Four types of changes are required: (1) Strengthening associations of local governments so they can better articulate local needs and interests in national policy dialogues; (2) Providing clearer definitions of functional responsibilities for all levels of government, and giving local governments more managerial and fiscal discretion over the functions that have been assigned to them (A clear linkage between a particular unit of government and a specific service is crucial if constituents are to hold that unit of government accountable for providing that service well); (3) Reforming revenue systems so that local governments can obtain the resources needed to effectively implement the functions assigned to them; and (4) Balancing central regulation and local autonomy (Some degree of national accountability through a national regulatory framework is appropriate, but emphasis is also needed on mechanisms to enhance the accountability of local officials to their constituents).

Improving Indigenous Mechanisms for Support to Local Government

The final theme of the new paradigm rests on the understanding that effective local governments always depend on a number of supporting institutions. Strengthening the capacity of these institutions, is critical to all of the most basic objectives of the sector. These institutions include: government officials' professional associations, a variety of qualified consulting firms, universities and other training institutions, and organizations that provide applied research on municipal issues and/or foster exchange between gminas and the dissemination of best practices.



USAID'S LOCAL GOVERNANCE PROGRAM IN POLAND: OVERVIEW

Objectives

To design a program to help gminas work toward the establishment of this new paradigm for local governance in Poland, USAID has consulted with representatives of a variety of Polish counterparts. The result is a program with the features noted at the beginning of this paper: (1) regarding the gminas themselves as its primary clients; (2) relying increasingly on Polish professionals to provide technical assistance and training; (3) focusing on helping Polish gminas learn from each other; and (4) coordinating with other donors and institutions to leverage impact.

The program has been established under Strategic Objective 2.3 of USAID's overall program in Poland: *To Help Polish Local Governments Become More Effective, Responsible, and Accountable*. The program's four objectives, correspond directly to the themes of the new paradigm outlined above.

- To increase the influence of local government on national and regional policy.
- To increase public participation in local government decision making.
- To increase local governments' capacity to efficiently deliver services and manage local resources.
- To improve indigenous mechanisms for support to local government.

Activities

These objectives are being achieved through the implementation of four major interrelated activities:

- **The Legislative and Policy Development Program (LPDP)** which works primarily with the associations of gminas that make up the Local Government Side of the Joint Commission, with emphasis on assisting them in developing the *Self-Government Analysis System (SAS)*. The objectives of SAS are to : (a) promote greater fiscal and administrative decentralization in Poland; and (b) create a sustainable, coordinated system of analysis to support the information needs of local governments and their associations.
- **The Local Government Partnership Program (LGPP)** which works in partnership directly with a 30-40 individual gminas to help them achieve key objectives and to strengthen their performance capacities in process.
- **The Citizen Participation Development Program (CPDP)** which works primarily with local leadership coalitions, NGOs, neighborhood associations, and other emerging institutions of civil society to build their capacity to work in concert with local governments, and to enhance citizen participation, in achieving effective governance at the local level.

- **Dissemination and Monitoring** which works to provide support to all three of the above programs through dissemination, training, research, and monitoring and evaluation.

Planning and Oversight

The overall program is being developed and operated by USAID acting in partnership with Poland's associations of gminas. Association representatives will meet regularly with USAID in various forums to: (1) review and advise on program priorities and work plans; (2) monitor the progress of all program elements and suggest mid-course corrections; (3) assess substantive presentations on program innovations and research; and (4) help to plan activities to disseminate program results to broader audiences.¹

USAID'S LOCAL GOVERNANCE PROGRAM IN POLAND: ACTIVITIES

Activity 1: The Legislative and Policy Development Program (LPDP)

Work in this activity is first being directed to helping the Associations of Gminas improve their capacity to interact with central officials on intergovernmental policies on a self-sustaining basis in the future through operationalizing SAS. As a part of this, consultants are working jointly with the gmina associations and central government officials to assist in strengthening the framework of policies, laws, and regulations that establish the operating relationships between levels of government in Polish society.

■ **Strengthening Laws and Policies.** Consultants will assist in: examining impacts of current policies; formulating and analyzing the possible effects of alternatives; conducting other factual studies relevant to policy; and preparing papers and reports that may be useful in revising laws and policies and explaining them to the public. As the program begins, emphasis in this component is being given to assistance in improving intergovernmental financial relations. Specifically, this entails examinations of current laws pertaining to intergovernmental transfers and subsidies relating to education, welfare, large cities, equalization, and income tax sharing, and analysis of possible alternatives.

■ **Strengthening the Associations of Gminas.** To include: (1) assessing current Association capacities; (2) holding workshops on association management, lobbying methods, and other general topics for all Associations; and (3) (for at least two Associations) direct capacity building assistance on topics such as strategic planning, public relations, management structure and organization, commodity and personnel support, information management, and member relationships.

¹ Recognized national associations include the Association of Polish Cities, the Union of Polish Metropolitan Cities, the Union of Polish Small Towns, the Association of Rural Gminas, and the National Assembly of Local Assemblies. The first four of these are responsible for guidance and monitoring of the program's support for SAS, under the *Letter of Partnership Between Members of the Local Government Side of the Government-Territorial Self-Government Joint Commission of the Republic of Poland and the Government of the United States of America*, signed on May 29, 1996. All of these associations form the core of the steering committee for all remaining elements of the program. That committee also has an advisory group made up of representatives from the Municipal Development Authority (MDA), the Federation of Regional Associations of Gminas, *Municipium*, and other key interest groups.



■ **Strengthening Related National Support Institutions.** This first entails work in support of relevant professional associations, including associations of gmina officials (e.g., Forum of Gmina Secretaries, Forum of Gmina Treasurers) and other professional associations (e.g., Association of Economic Development Professionals). Activities will be similar to those pertaining to strengthening associations of gminas noted above. Secondly, this entails assistance to universities and other training and applied research institutions to establish their participation in SAS and other activities supporting local government. Work here is beginning with a review of existing universities and other major training institutions in Poland with respect to their capacity to address the training needs of gminas. Two or more institutions will then be selected for direct assistance, entailing: a more detailed assessment of current curricula; strategies for enhancing current course substance and processes (e.g., adapting materials from the program's *Best Practice Guides*—see discussion under Activity 4 below); helping to establish an extension/outreach program that will provide technical assistance, training, directly to gminas in the future and establish sustainable centers for information exchange and dissemination of information to gminas capacity.

Activity 2: Local Government Partnership Program (LGPP)

The Local Government Partnership Program (LGPP) will provide assistance to 30-40 individual gminas that have been chosen in consultation with the Program Steering Committee so that they will be reasonably representative with respect to size, region, and economic circumstance. All gmina participants must: (1) exhibit interest in moving in an integrated manner to improve their governance consistent with the principles of the new paradigm outlined earlier in this paper; and (2) be willing to help spread new ideas and achievements to other gminas as a part of the program's dissemination activities.

Work will proceed with individual LGPP gminas to develop and demonstrate new techniques, but the mayors of the participating gminas will also work collectively to support the broader aims of the program. For example, while projects with individual gminas will build capacity to efficiently deliver services and manage local resources (Objective 3), they will also be done in a manner that will increase public participation in local government decision making (Objective 2). The LGPP gmina partners working together should become an important force for spreading adoption of innovations to other local governments, but they should also serve as an important force in increasing the influence of local government on national and regional policy (Objective 1). LGPP will mobilize and train Polish consultants and other institutions to deliver much of the direct assistance to gminas and it should thus make a major contribution to strengthening indigenous mechanisms for support to local government (Objective 4).

LGPP consultants (mostly Polish, some international) will visit candidate gminas selected in conjunction with the steering committee, discuss their priorities, and attempt to work out mutually agreeable *Partnership Agreement* specifying the nature of the assistance to be provided and the obligations of both parties. In these engagements, the consultants will assist mayors and their staffs in designing and implementing initiatives that focus on providing on tangible and practical results, many in the short term. The consultants will help the gmina apply methods and techniques (tools) that, for the most part, have already been tested and demonstrated in previous USAID assistance programs to be workable in the Polish context.

■ **Substantive Topics.** The consultants will not come with any fixed agendas as to the topics to be addressed. Rather, as long as they lead toward integrated progress, specific activities will be selected by the gmina mayor based on his or her own sense of priorities from a number of technical areas in which the program is prepared to provide assistance. The program's national organizers have recognized that all of Poland's local governments will be attempting to achieve several key aims during the remaining years of the 1990s: stronger local economies with more job opportunities; cleaner air and water; more and better housing; more efficient and reliable infrastructure; and better, less expensive local services. Accordingly, direct assistance will be provided to gminas in the following fields:

- Strategic management, budgeting, and finance
- Economic development
- Infrastructure financing and development
- Restructuring and strengthening municipal enterprises
- Housing management and development
- Land management and development
- Financing other local services (e.g., health, education)
- Streamlining customer services
- Public relations and citizen participation

In each area that is selected, the consultant team will work with gmina staff to address priority improvement needs (as identified by the mayor and staff), but will do so in a manner that applies proven themes of the new paradigm: e.g., strategic planning, economic/budget analysis, performance monitoring, customer orientation, partnering with private firms and NGOs, public participation, and strengthening relevant institutions of civil society. Emphasis will also be given to human resource planning and initiatives (such as training programs) that strengthen the capacity of gmina staff.

■ **Integration: Overall Strategic Planning Linked to Budgeting.** A primary method of integrating more effective modes of governance will be in strengthening the gmina's overall processes of long term strategic planning, linked directly to financial analysis and capital and operating budgeting. We would expect to work with virtually all LGPP partner gminas in these areas. Where partners to not yet have such processes in place, we will work with gmina leadership to develop them. Where gminas already have strategic plans and budget processes, we will provide assistance to strengthen them.

Assistance in these areas will focus on opportunities for economic development and environmental enhancement, and examine alternative capital investment and land development/divestiture options in relation to those goals. Other elements of USAID's program in Poland are supporting the development of private capital markets and other sources of financing for gmina investment programs. A benefit of LGPP participation, therefore, should be in enhancing gmina access to these sources of financing. Appropriate public participation in the planning/budgeting process will also be given emphasis.

■ **Technical Assistance to Other Gminas.** The program will also continue to provide a limited amount of technical assistance and training on specific topics to gminas which are not participants in the LGPP. Such engagements will be selected based on the opportunity they offer to develop important innovations that will prove of value to many other local governments nationally. In some cases they will be



selected as locations to develop and test new tools and methods that may later be applied in the LGPP partner cities.

Activity 3: The Citizen Participation Development Program (CPDP)

This activity will focus on direct work with local institutions of civil society to build their capacity and strengthen their contributions to local governance, and on other efforts to enhance citizen participation. Efforts here will include grants to NGOs (to build capacity to participate in local governance), expanded application of the *Dialog* process (which creates and activates community group participation in civic affairs), and establishing a self-sustaining network of NGOs and related institutions to support the further strengthening of local civil society nationally over the longer term.

Activity 4: Dissemination and Monitoring

This component of the work incorporates a number of activities which cut-across and support all three of the major operating programs defined above.

■ **Developing and Disseminating Best Practice Guides.** This activity will be largely organized around the preparation, and multiple uses of, *Best Practice Guides*. Most often these will be fairly brief documents drawn from the substantive work of the three main operating programs (Activities 1, 2, and 3). They will be focused on specific topics, often giving an objective account of one or more successful case study experiences, and providing interpretation to aid in understanding underlying principles and the way the innovative practices described might be best adapted for implementation in other locations. In some cases, however, they will take the form of more complete "handbooks" and brief reports on the findings and implications of relevant research sponsored by the program. Drafts for the *Guides* will be carefully reviewed before publication, and modified as necessary, to assure their veracity, and that they represent truly valuable and replicable materials that warrant being disseminated. All will be prepared in an attractive format and be written so as to be interesting and easily accessible to gmina and national policy audiences.

The *Guides* will be printed and disseminated broadly in that form to policy audiences at the central level and at universities as well as to most, if not all, gminas. Also, all of them will be made available to interested users via the program's Web Site (see discussion below). In addition, however, they will be used as the basis for training both the Polish professionals who will subsequently work as technical assistance providers in this program, and for training the staffs of gminas, other public agencies, municipal enterprises, and public interest oriented NGOs.

As the program begins, USAID is undertaking a review of its own prior technical assistance work in Poland—the best of these experiences will be written up as *Best Practice Guides*. Also, other sources will be tapped to solicit information on Poland's "municipal success stories" over the past several years—innovations by individual gminas that have had high payoff that may or may not be connected with donor programs. These experiences too will be further researched and developed to contribute to the series of *Guides*. As the program proceeds (particularly, under the first two activities dealing with direct work with gminas and civil society institutions), all work will be well documented in ways that facilitate the development

of additional *Guides* that will provide lessons from these experiences. The program's research agenda (see below) will also yield products that will be prepared for dissemination as a part of this series.

■ **Workshops, Seminars, and Conferences.** As it has over the past several years, the USAID program will support a series of frequent seminars and workshops of relevant topics, most often focused around the substantive lessons in one or more of the *Best Practice Guides*. In the future, however, more effort will be devoted to national conferences, where representatives of gminas and local civic groups from throughout Poland can meet with national interest groups to hear presentations on, and discuss, the most important issues that emerge from this agenda. Conferences of this type should help given more prominence to these issues consistent with (and as a part of) the National Awareness Program (discussed below).

■ **Training Programs.** USAID has already sponsored a number of formal training programs on municipal development topics in Poland. In the new program, several of these efforts will continue and others will be added, again using substantive materials in the *Best Practice Guide* series as a primary source. In this program, however, the emphasis will be on establishing permanent, self-sustaining, indigenous training institutions serving gminas, therefore all new training ideas and designs will be implemented consistent with this larger objective.

■ **National Awareness Program on Municipal Issues.** Improving the quality of local governance will depend not only on the performance of government officials, but also on attitudes and behaviors of the Polish public at large. At present the public is not well informed about the realities facing gmina officials today or the longer term potentials of local governance, as illustrated by the principles of the new paradigm. They need to become more aware of both the possible benefits and of the responsibilities they as citizens will have to assume to achieve success.

Accordingly, the program will support indigenous institutions in developing and sustaining a national awareness program on municipal issues. These institutions will be expected to be proactive in presenting sound information about local governance to the public. This will include regularly scanning the environment for relevant newsworthy issues and events (derived from experiences in this program and outside of it), and then (1) preparing press releases and holding press conferences for the media; (2) working obtain frequent television exposure; (3) supporting the transformation of good substantive materials (e.g., from the program's *Best Practice Guides*) into articles for publication in journals and other periodicals. These efforts will focus on "celebrating" municipal success stories, and bring to prominence those Polish citizens and professionals who were responsible for them (if entrepreneurial mayors and other gmina officials recognize that prestige is offered to those who innovate pragmatically and achieve real results, more may be willing to try it).

■ **Facilitating Gmina Networking on the World-Wide-Web.** The growth of low-cost internet communication via the World-Wide-Web has been astounding over the past two years. USAID will aid indigenous institutions in establishing a Web-Site for gmina officials and others interested in local governance issues. As noted above, *Best Practice Guides* and other program products will be made available immediately at that Site. It will, however, support other functions as well. It will incorporate directories enabling users to access broader literature in the field and to contact and communicate with others who have similar interests. A "Bulletin Board" feature will be incorporated to permit gmina officials to more easily share concerns and ideas with each other.



■ **International Training Opportunities and Study Tours.** USAID will also continue to sponsor international training opportunities and study tours where these would build Polish capacity in critical areas in ways that would not be possible within the country.

■ **Research.** In many respects, progress by gminas and national agencies concerned with municipal development in overcoming current obstacles is hampered by the lack of adequate information. The program will sponsor selected research to address priority topics in this category, relying primarily on existing applied research institutions in Poland with relevant expertise. An example project already underway recognizes that very little is known about the way gminas now set prices for municipal services and about the range of current costs in service provision. This project is now supporting a survey to shed light on these questions.

■ **Surveys of Knowledge, Attitudes, and Practices.** This effort will serve both research and monitoring goals. It should be of great value to the institutions represented on the program Steering Committee to learn how gmina perceptions and practices are changing during the course of this program (nationally and by region, size, etc.) and where critical problems remain. Accordingly, the program will support an annual survey of gmina officials that will ask not only about current attitudes and practices, but also about the way they learn new information and the way they go about implementing reforms and innovations. In addition, a new module will be added to national opinion surveys to learn about how public attitudes are changing toward gmina performance, civic participation, and other issues of relevance to local governance.

■ **Monitoring and Evaluation.** Working with the Steering Committee, USAID will devise a set of indicators to show how well its new Local Governance Program is achieving its objectives (some derived from the survey noted above, some from other program activity reports, and some from other sources). Reports will be sent to Steering Committee members and discussed regularly at their meetings. From time to time, independent Polish professionals will be asked to evaluate program performance in specific topic areas and overall.

LOCAL GOVERNANCE PROGRAM OPERATING STRATEGY AND GUIDELINES FOR IMPLEMENTING THE LOCAL GOVERNMENT PARTNERSHIP PROGRAM

URBAN INSTITUTE CONSORTIUM SUPPORT FOR USAID/POLAND LOCAL GOVERNANCE INITIATIVE

The new *Local Governance Initiative* is a major component of USAID's planned work in Poland through the end of this century. This initiative is defined by USAID internal plans to achieve Strategic Objective 2.3: *To Help Polish Local Governments Become More Effective, Responsible, and Accountable*. It is described more completely in the document, *USAID Local Governance Program: Helping Poland Create Effective, Responsive, and Accountable Local Governance for the 21st Century* (September 1996—hereafter call the Program Description). It has four expected intermediate results.

- To increase the influence of local government on national and regional policy.
- To increase public participation in local government decision making.
- To increase local governments' capacity to efficiently deliver services and manage local resources.
- To improve indigenous mechanisms for support to local government.

This document defines the expected role and responsibilities of the Urban Institute Consortium (UIC) in implementing this initiative and explains the Consortium's operating strategy.

DISTINGUISHING FEATURES

In our view, the Poland Local Governance Initiative is USAID's most ambitious effort yet to help any country markedly strengthen its local governance. It is being implemented through four major activities (defined in the Program Description), each of which has a coordinating contractor.

- **The Legislative and Policy Development Program (LPDP)**—Coordinating contractor: Development Alternatives International (DAI).
- **The Local Government Partnership Program (LGPP)**—Coordinating contractor: Urban Institute Consortium (UIC).

- **The Citizen Participation Development Program (CPDP)**—Coordinating contractor: Academy for Educational Development (AED)
- **Dissemination and Monitoring**—Coordinating contractor: Urban Institute Consortium (UIC).

USAID has supported activities with similar labels before, but this one is different both because of its size and the pattern of emphasis across activities. We think three features most distinguish it from past efforts in this sector.

First, is its emphasis on *building ongoing local government support capacity in Polish institutions*. In the past, USAID has often sent in teams of expatriate consultants to provide technical assistance to individual local governments in a country, helping them to design and implement innovations that, hopefully, will serve as models for others. Some of these have been memorable successes, but the Poland Initiative suggests that with this approach alone, not enough is left behind. In the LGPP, similar activities will occur but there is a serious expectation that we will recruit and train Polish consultants and other institutions to provide the bulk of the technical assistance.

More expatriates will be involved at the start, but by the third year it is expected that almost all of the technical assistance will be being provided by Polish professionals. In other words, results at the end of the program will include not only a set of successful demonstrations based on principles of proven effectiveness, but also an established set of indigenous institutions capable of replicating and expanding on those demonstrations on a self-sustaining basis in the 21st century. This effort is also different because of its size: it is expected that LGPP will assist 35-40 individual gminas over the course of the program.

Second, is the emphasis placed on *building broad scale public and official awareness of the principles of effective local governance*. In the Poland initiative, much higher priority is being given to this than we have seen before. This means developing products (written materials in a variety of forms, videos, etc.) that are accessible (interesting) to Polish officials and the public (all documents written for Polish audiences—no more reports written primarily to be read by USAID). Next, it also means a more proactive dissemination strategy: more of the traditional techniques (seminars, conferences, etc.) but also, week to week efforts to get these materials and ideas out in other forms (a regular stream of journal and newspaper articles, TV appearances, etc.).

USAID has set ambitious explicit targets for change not only for the LGPP gminas (where we have more direct influence) but also for all other gminas; i.e., this work has to be taken seriously. It is based on the recognition from much recent international experience that a true transformation in local governance will depend on new ideas and expectations being presented clearly and forcefully to the public at large as well as to all local officials. Something else we have not seen before is the plan to recurrently survey both the public and local officials to actually find out how their knowledge, attitudes and practices with respect to local governance are changing; and to use survey results as a basis for making mid-course corrections in the program as well as monitoring our performance.

Third, is the emphasis placed on *building a strong civil society at the local level*. The CSDP will be working directly with NGOs and other institutions of civil society to strengthen them, but LGPP will also be



expected to find ways to address this objective in almost everything it does (linking with CPDP efforts where possible). The new focus on this is partially based on the recognition by USAID's "democracy" program that its objectives go well beyond support for free elections. Effective democracy entails active, meaningful, and ongoing involvement of the public in civic affairs and most of the opportunities for this to happen occur at the local level (e.g., citizens participating in setting priorities in the capital planning and budgeting process). But it is also based on the growing recognition on the local government side that a strong civil society (and the *accountability* mechanisms this implies) is one of the essentials for enhancing local government performance over the long term.

In our view, these distinguishing features have two important implications. On one hand, the work will be particularly difficult and challenging, calling upon us to adapt many of the ways in which we have been comfortable in doing business in the past and calling for skills in collaboration and coordination that are unusually demanding. On the other hand, the initiative offers prospects for higher payoff in terms of long term objectives than any other country program in local governance we know about—indeed, given the lessons from the field over the past decade, we think it would be difficult to justify attempting anything less.

UIC ROLE AND RESPONSIBILITIES: OVERVIEW

While the initiative has four distinct program activities, it has been designed to spur collaboration among USAID contractors across programs—at various times, most contractors will work on specified tasks on different programs. In this context, the UIC role can best be defined as including four responsibilities.

Coordinating Contractor for the LGPP

This is the UIC's primary obligation. Work will entail: developing guidance materials as the basis for technical assistance; recruiting Polish technical assistance providers and training them in LGPP principles and techniques; supporting USAID and the Steering Committee in selecting candidate gminas for the program; visiting candidate gminas and negotiating partnership agreements; fielding appropriate teams and managing technical assistance and training initiatives with partner gminas; monitoring and reporting on the results (including recurrent presentations to the Steering Committee and negotiating mid-course corrections); drawing implications from our work across cities for possible changes to national policy (in coordination with LPDP); and contributing to the dissemination program by preparing drafts for Best Practice Guides, conducting workshops and seminars, relating to the media as appropriate, and other actions (mobilizing the help of our partner gminas in all of this).

As to assignments with individual gminas, our charge will be to coordinate and make good use of the full array of available resources in Poland. Other USAID S.O. 2.3 contracts in Poland (firms not a part of the UIC) are being rewritten so that resources will be explicitly provided for their participation in LGPP. We are also expected to link with USAID resources working on other S.O.s (particularly, re economic development) where appropriate. In addition, arrangements are contemplated by which we can collaborate with other donors (e.g., Know-How Fund, EU-PHARE) in individual gmina projects. Finally, to gain access to a broader

range of Polish consulting firms, we expect to initiate a new IQC type procurement in the short term; firms will submit proposals based on their experience and qualifications and there will be multiple awards.

An example should help to clarify how this is to work in practice. Suppose a mayor tells us her highest priority is to prepare a sensible strategy for economic development. We would then field a team composed of UIC staff and an associated Polish firm with the requisite skills. The team would visit the city and might, among other things, identify several gmina-owned land parcels that look attractive for development, consistent with the gmina's competitive advantages. We might then hand off the planning for marketing those sites to another USAID contractor or affiliate (e.g., via VOCA/ACDI) who would, in turn, contact the EU program to partner in that work. In process, the mayor is likely to recognize that she needs to provide new infrastructure to support the development of those sites. She sees that she must rethink her capital investment priorities overall (prepare a capital improvement plan and budget) and get a better fix on her debt-carrying capacity. Enter a second UIC team (including a different group of UIC staff and probably another Polish firm specializing more in infrastructure). As that effort evolves, the gmina staff may identify some attractive opportunities calling for a revision to their water-wastewater strategy, which would in turn lead to some new project preparation. At that point, we might call in LEM to handle all of that for us.

Coordinating Contractor for Dissemination and Monitoring

From the standpoint of the overall initiative, there are many benefits to having these activities coordinated across the three main production programs, and USAID has asked UIC to take on this role. The Program Description lists nine components of this work and UIC's specific roles will be somewhat different in each of them.

(1) **Development and dissemination of best practice guides.** UIC will work with USAID to develop an overall structure for this that will help guide the decisions about what products will be prepared in all programs, but the primary responsibility for the development of materials will rest with the main program contractors: (DAI for LPDP, UIC for LGPP, and AED for CPDP). Once products are prepared, however, UIC will be responsible for managing a process (collaboratively with USAID and the other contractors) to select which products will be widely disseminated, how, and when. In some cases, UIC will be asked to re-write or summarize products to make them more accessible. In some cases, UIC will make arrangements with local institutions to do any needed revamping and then let them do the publishing and disseminating (e.g., the work by the Krakow group on the Task-Based Budgeting Manual). In others UIC will handle publication and dissemination directly.

(2) **Workshops, Seminars, and Conferences.** All of this work will be conceptualized, planned, and driven under the three main production programs, in negotiation with USAID. In addition to handling this directly for the LGPP, however, UIC will also provide some coordination support. UIC will maintain a recurrently updated overall schedule of planned activities across programs, and provide suggestions to USAID, for example, when we see upcoming scheduling conflicts, opportunities to enhance specific activities to gain more national prominence, opportunities to possibly merge two activities in different programs to enhance their impacts, etc.

(3) **Training Programs.** Similar responsibilities as under activity 2 above.



(4) **National Awareness Program on Municipal Issues.** Here, UIC has the central responsibility for designing and implementing the program, though it will obviously do so in collaboration with other contractors as well as USAID.

(5) **Facilitating Gmina Networking on the World-Wide-Web.** DAI is taking the lead on this now, working with the associations of gminas. UIC's role will be mainly to provide information to be provided via the Web-Site (e.g., schedules for conferences, training programs, and other program events; the text of summary best practice guides; participation in the "bulletin board" activity, etc.).

(6) **International Training Opportunities and Study Tours.** Similar responsibilities as under activity 2 above.

(7) **Research.** This will also be driven by the individual program contractors. However, UIC will have a somewhat broader responsibility here to scan the overall agenda to point out high-payoff research opportunities and devise plans for addressing them efficiently (e.g., by building them into ongoing field activities—an example would be collecting data on cost-per-unit of service in our work with LGPP cities that could also be aggregated for use in national level policy analysis).

(8) **Surveys of Knowledge, Attitudes, and Practices.** The design and implementation of these surveys is solely a UIC responsibility, although again, the work will be performed in collaboration with other contractors as well as USAID. Special effort is expected here to gain input and buy-in from the associations of gminas.

(9) **Monitoring and Evaluation.** None of the contractors working on the program are in a position to perform an independent evaluation—USAID will no doubt contract with someone else to do that at some point. However, it will be primarily a UIC responsibility to design and operate a recurrent monitoring system by which USAID and the Steering Committee can assess performance as a basis for adjustments in process.

Participation in Other Programs

From time to time UIC staff and consultants will be assigned to participate directly in the work of the LPDP and CPDP. For example, we might be asked to: work with LPDP using our experience with financial conditions in individual cities to shed light on national policies re intergovernmental finance; work with CPDP to assist NGOs in preparing strategies for collaborating with gminas; work with LPDP in helping develop curricula in urban finance and management for universities they are supporting; work with CSDP and LPDP to devise options for national policies and laws that would encourage the strengthening of civil society in all localities.

Facilitating Overall Management

Managing the overall Local Governance Initiative is the job of USAID staff. However, UIC can assist them by preparing draft documentation and playing other supporting roles that will facilitate their task.

Primarily this will entail: (1) assembling quarterly progress reports from all contractors (collecting them from LPDP and CPDP in addition to preparing our own progress reports on LGPP and Dissemination and Monitoring); (2) reviewing these inputs and preparing an overall summary (and incorporating monitoring indicators as a part of our work under Dissemination and Monitoring); (3) assessing the overall quarterly progress report (summary and details from individual contractors) and offering our views as to opportunities for performance improvements within the existing structure as well as new areas for program activity that might enhance overall impact. USAID will use these inputs as it sees fit in presentations to and discussions with program Steering Committees and in revising work programs or taking other actions to strengthen the activities of individual contractors working on the initiative. The quarterly progress reports will also be used as a basis for publicity about the overall agenda as a part of the national awareness program.



UIC MANAGEMENT OF THE PROGRAM

The UIC Manager for the Poland program will be Bruce Purdy, who reports to the Director of the Urban Institute's International Activity Center. Tom Kingsley will serve as Assistant Manager, helping Bruce in developing strategic approaches for each of the main topical areas in which we will be providing assistance, and in developing the first stages of the dissemination/monitoring program. Jonathan Hoeh will serve as overall Administrative Assistant for this work.

IMPLEMENTING THE LOCAL GOVERNMENT PARTNERSHIP PROGRAM (LGPP)

“Signing Up” Partner Cities

Some candidate gmina for the LGPP have already been selected by USAID, and others will be selected through an application process managed in consultation with the associations of gminas over the next several months. We will be expected to visit all of the “candidates” selected by the associations in an effort to work toward a mutually acceptable Partnership Agreement with them. However, it is understood that: (1) the sequence in which we make these visits will be determined by us (in conjunction with USAID); and (2) in spite of our best efforts, it may not be possible to develop mutually acceptable work programs with all of them. The process will be as follows:

- **Phase 1.** There will be an initial visit in which an LGPP Site-Visit Team will explain in more depth the nature of the LGPP and expectations of both parties and the mayor and gmina staff explain more about how they see their priorities for assistance. The Site-Visit Team for each city will be selected by the UIC Manager from among UIC senior staff and consultants. Most often, the Manager will participate in these visits.

- **Phase 2A.** The Site-Visit Team will then return to Warsaw and pull together a ideas for assistance consistent with those discussions and begin to line up an LGPP Technical Assistance Team with the appropriate substantive experience to do the work. One or more of the members of the Site-Visit Team along with some members of the selected TA Team will then visit the gmina a second time to develop a work program jointly with gmina officials the mayor has assigned to work on the initiative.

- **Phase 2B.** LGPP representatives will then prepare a draft Partnership Agreement and Work Program and send it to the mayor for review. Most often the signing of the Partnership Agreement will occur on the third trip (although in some cases is may be possible to get that far on the second trip). (Phase 3 encompasses the actual delivery of the assistance to the gmina).

Developing Strategy Modules

USAID and UIC clearly agree that simply hiring a few Polish consultant firms that have some experience in, say, infrastructure finance, and sending them out directly to provide assistance under LGPP without training would be disastrous in terms of program objectives. We would feel very insecure about the quality of the assistance being provided (few such firms have yet been exposed to the best techniques developed in worldwide experience). It is quite likely that they would give conflicting advice in different cities. In short, the LGPP would not be offering any clear “value added.”—USAID support for it would be highly questionable.

Accordingly, we must assemble and/or develop the substantive content the program will support in each technical component, and use it to train Polish TA providers in each area, before we get too far along. The question is, how this can be done effectively. We do not have the time or resources to develop major new curricula and then implement large-scale training programs before we start delivering assistance to gminas. But we do not believe that will be necessary.

The UIC approach will be to build sound *Strategy Modules* incrementally as we proceed. At the start, we will be sending expatriate advisors to cities without any documented guide ahead of time. There is no problem with that. They are experienced professionals and they will be accompanied by our some of our initial Polish staff and consultants who will learn by participating in these experiences. At the same time, however, we will start to develop and document our longer-term strategic approach more completely and train UIC short-term staff and Polish consultants in that approach. More specifically, this will work as follows.

1. The Program Description lists several technical areas in which LGPP will offer assistance. We will select several of these (the ones for which we expect the most substantial gmina demand in the short term) and begin to develop strategy modules for them in the short term—similar modules for the others will be developed later as the demand pattern emerges more clearly. The list includes total of nine technical components:

- Strategic management, budgeting, and finance
- Economic development
- Infrastructure financing and development
- Restructuring and strengthening municipal enterprises
- Housing management and development
- Land management and development
- Financing other local services (e.g., health, education)
- Streamlining customer services
- Public relations and citizen participation

2. UIC management will confer with all firms and (with USAID concurrence) assign one individual (in each case a long-term staff member of a UIC firm) as *Team Leader* for each of the identified substantive components. Some of the Team Leaders will be resident advisors and some will not.



3. The Team Leaders will then assemble a small group of U.S. and Polish professionals and develop the *Strategy Modules* for their component. The strategy modules will contain sections on:

- **Approach.** To explain how we will approach the implementation of the work as we enter a new city that has requested assistance in the component at hand.
- **Best Practice Guide—Overview.** An 8-10 pager written for mayors and/or other key gmina officials, that will: (a) explain the subject matter of the component; (b) explain why work in the topic offers important opportunities to improve gmina performance and payoffs; (c) outline general principles to be followed to gain the benefits; and (d) discuss generally promising strategies and techniques.
- **Consultants and Training Plan.** A roster of UIC staff and consultants who are initially selected as qualified and available for short-term assignments under the component in LGPP; a listing of Polish consultants (individuals and firms) that already have experience working in the field, with brief descriptions of their capacity and prior work; and a plan for training and deploying the Polish consultants specifically in LGPP.
- **Network and Related Work Underway.** This will identify all donors and important Polish individuals and institutions who are interested in, and have been doing work for gminas in, the component at hand, and the agendas of each. It will also offer a plan for how we will relate to these entities in LGPP.
- **Relevant Literature.** An annotated bibliography of the best international literature available on approaches, methods, and techniques relevant to the component.

We believe that the staff of the firms that are a part of the UIC include a very large share of the most creative and experienced professionals in these fields. The Strategy Modules they prepare will be based on their knowledge of best practices world-wide and adapted based on their sense of the circumstances in Poland (i.e., they will not be simplistic transfers of “how it is done in the U.S.”). In some areas, sound materials have already been developed and tested in the Polish context (e.g., Kugler/Kaczmarek work on infrastructure financing). In this case, only a modest amount of new writing will be required to produce the document on approach that is needed. In other cases (e.g., approaches to strengthening municipal enterprises) there is no similar set of materials already developed for Poland. But in several areas, UIC firms have products from their work in other countries that could serve as a basis for this without much modification.

4. Drafts of the Strategy Modules will be presented, reviewed, and revised at an LGPP conference in Warsaw. Attendees will include not only the authors, but also a wide range of Polish professionals with whom we would hope to partner in LGPP implementation. This conference should expand team spirit as well as improving the quality of our approach and its practical applicability to Poland specific conditions. Initial training sessions for Polish consultants will be held soon after this conference.

5. We will then set up a schedule for developing more detailed descriptions of our approach for sub-topics in each component. Often, we will write up an experience in one of our first Partner Cities and (after discussion and modification by the group that attended the earlier conference on the topic) add that to the Module. The idea is to be constantly working on a stream of short documents and getting them into use (rather than waiting to assemble an overall manual or handbook before we release them).

6. From the start, all of these documents will be written with the idea that Polish mayors, gmina staff, and others in the Polish policy community are their intended audiences (i.e., they are not written as “reports to USAID”). After they are tested by some additional field experience, and revise appropriately in response, they will be edited and published as a part of the program's Best Practice Guide series: i.e., they will be made available to a wide range of gmina officials and others interested in the topics at hand, in hardcopy and via internet.

Staffing LGPP Partner City Assignments

The process used to develop substantive guidance for the work in each technical component (as described above) should serve as a good basis for building the technical assistance delivery teams for LGPP. Ultimately we will need to have capacity to deliver assistance in each of the nine areas listed. Obviously, the program cannot afford to have separate full-time resident advisors for each of these, but somebody from the UIC with appropriate expertise needs to feel responsibility for each of them. Accordingly, the process will work as follows:

- The Team Leader for each substantive component (as defined above) will play the lead role in recruiting and deploying staff and consultants for ongoing work with LGPP cities.
- As a basis for this, each UIC firm will be asked to submit a roster of names of its staff and consultants qualified to serve as short term advisors in each of the nine technical areas listed. These lists will be sent to the Team Leaders. The Team Leader in any area is likely to already know most of the people on the roster for his or her area but, where not, will be asked to get to know them.
- As Partnerships with individual gminas are being developed, the UIC Manager will contact the Team Leader about specific assignments as mayors express interest in that particular technical area. The Team Leaders will be responsible for recruiting short term consultants as needed (drawing from the roster for that area) and working with the UIC Manager to match them with Polish professionals, to form the assistance team for individual city assignments. It is expected that the Team Leaders will work on a sizeable number of such assignments directly themselves—this is seen as necessary for them to further develop the Strategy Modules for their areas effectively.
- The Team Leaders will be responsible for designing and implementing training programs for LGPP Polish consultants in their areas (based on the training plans contained in their strategy modules) under the overall direction of the UIC Manager.



PROCESS FOR IDENTIFYING CANDIDATE CITIES: LOCAL GOVERNMENT PARTNERSHIP PROGRAM (LGPP)

The LGPP seeks to enter into partnership agreements with, and begin work to assist, 30-40 gminas over the next 3 years. This paper describes the process by which the candidate-cities for LGPP participation will be identified. Cities will be selected in a series of rounds, beginning Fall 1996.

INITIAL 1996 PILOT CITIES

In order to build the LGPP rapidly, USAID has begun working with a set of "pilot cities". The pilots will serve to help refine details of the LGPP. The pilot cities are ones where the United States Government has already been working on one or more initiatives and which meet all criteria for involvement. These include: Bielsko Biala, Gliwice, Kutno, Ostrow Wielkopolski, Nowy Sacz, Rybnik, Sandomierz, Szczecin, and Ziebice.

APPLICATION PROCESS

Selecting candidates for the Partnership Program will begin with an application process. Gminas will be made aware of the program, and asked to submit applications, in two ways: (1) Poland's associations of gminas will mail out application Announcements (see attached draft) to all of their member-gminas; and (2) the application Announcement will also be printed in full in Wspinolta (so all gminas who are not yet members of an association will also have an opportunity to apply). As stated in the Announcement, gminas must submit an application package that: notes municipal improvement efforts they are already implementing; describes the activities they plan to undertake for which they are interested in professional assistance through LGPP; and conveys their commitment to comply with program requirements and expectations.

It is hoped that the plan for candidate selection for the Fall 1996 round can be endorsed by the LGPP Recommending Committee in mid-September. If that occurs, targets would be for the Announcements to reach gminas (through association mailings and Wspinolta) by September 30; for the interested gminas to have returned their completed applications by October 31, and for candidates to be selected by November 30. Gminas will submit their applications directly to the USAID.

SELECTING THE CANDIDATES

The LGPP Recommending Committee will make recommendations to USAID; the Advisory Committee will make recommendations to the Recommending Committee. Two USAID representatives will also attend the Committee meetings. USAID staff, will compile the applications that are received and prepare a master list of the applicants (showing topics for assistance requested by each applicant and other information relevant for the selection process). USAID will send copies of these materials to all members of the Recommending and Advisory Committees in sufficient time for review, prior to a meeting of those Committees. At the meeting, the Committee will review all applicants and select candidates based on the

criteria noted below. It is hoped that a final list can be agreed to on a consensus basis; applicants not selected in one round may be considered in a subsequent round.

To be selected as a candidate, applicants must evidence: (1) an entrepreneurial, self-reliant local leadership consistent with the principles of the program; (2) the commitment and ability to undertake innovative municipal strengthening projects in the technical areas offered by LGPP; (3) willingness to provide a reasonable level of matching resources as needed for successful project implementation (for example, the provision of office space, commitment of staff time, and some other supporting resources that may be needed); and (4) willingness to participate in disseminating lessons learned from LGPP to other gminas. Among applicants who best meet these criteria, selections will be made in a manner to assure reasonable representativeness for cities in various size-classes and regions.

ENTERING INTO LGPP PARTNERSHIP AGREEMENTS

After the candidate gminas have been identified, LGPP consultants will visit each of them in a phased schedule (for the first round, this would be December 1996 through March 1997. On the initial visit, consultants will discuss the activities for which assistance is desired in more detail with gmina leadership and develop a proposed work program. If the nature of the relationship and the work program are agreeable, an LGPP Partnership Agreement will be prepared to be signed on the next visit.

It is to be expected that it will not be possible to work out a mutually agreeable agenda in all cases and that some gminas may drop out at this stage. However, LGPP consultants will make every effort to engage all who have been identified as continuing partners in the program.

ANNOUNCEMENT

APPLICATIONS FOR THE USAID LOCAL GOVERNMENT PARTNERSHIP PROGRAM (LGPP)

In response to requests and suggestions from numerous Polish institutions, the U.S. Agency for International Development (USAID) will give high priority through 1999 to a new initiative which aims to *Help Polish Local Governments Become More Effective, Responsible, and Accountable*. It has four objectives:

- To increase the influence of local government on national and regional policy.
- To increase public participation in local government decision making.
- To increase local governments' capacity to efficiently deliver services and manage local resources.
- To improve indigenous mechanisms for support to local government.

THE PROGRAM

A major activity in this initiative is the *Local Government Partnership Program (LGPP)* in which USAID consultants (international and Polish) will assist 30-40 individual gminas in designing and implementing innovative programs to improve their capacities and performance.

To be selected as a candidate for this assistance, gminas must evidence: (1) interest in moving in an integrated manner to improve their governance consistent with new principles of effective municipal management; (2) the commitment and ability to undertake innovative municipal strengthening projects; (3) the willingness to provide a reasonable level of matching resources as needed for successful project implementation (for example, the provision of office space, commitment of staff time, and in some cases, matching funds for consultants and other required resources); and (4) the willingness to participate in disseminating lessons learned from LGPP to other gminas.

Work will proceed with individual LGPP gminas to develop and demonstrate new techniques, but the mayors of the participating gminas will also work collectively to support the broader aims of the program. For example, while projects with individual gminas will build capacity to efficiently deliver services and manage local resources, they will also be done in a manner that will increase public participation in local government decision making. The LGPP gmina partners working together should become an important force for spreading adoption of innovations to other local governments, but they should also serve as an important force in increasing the influence of local government on national and regional policy. LGPP will mobilize and train Polish consultants and institutions to deliver much of the direct assistance to gminas and it should thus make a major contribution to strengthening indigenous mechanisms for support to local government over the long term.

LGPP consultants will visit candidate gminas and attempt to work out mutually agreeable *Partnership Agreement* specifying the nature of the assistance to be provided and the obligations of both parties. In these engagements, the consultants will assist mayors and their staffs in designing and implementing initiatives that focus on providing on tangible and practical results, many in the short term. The consultants will help the gmina apply methods and techniques (tools) that, for the most part, have already been tested and demonstrated in previous USAID assistance programs to be workable in the Polish context.

The consultants will not come with any fixed agendas as to the topics to be addressed. Rather, as long as they lead toward integrated progress, specific activities will be selected by the gmina mayor based on his or her own sense of priorities from a number of technical areas in which the program is prepared to provide assistance:

- Strategic planning and budgeting
- Economic development
- Infrastructure financing and development
- Restructuring and strengthening municipal enterprises
- Housing management and development
- Land management and development
- Financing other local services (e.g., health, education)
- Streamlining customer services
- Public relations and citizen participation

Other elements of USAID's program in Poland are supporting the development of private capital markets and other sources of financing for gmina investment programs. A benefit of LGPP participation, therefore, should be in enhancing gmina access to these sources of financing.

LGPP will be administered under the guidance of USAID and the Recommending Committee, composed of representatives of Poland's recognized associations of gminas, and an advisory group made up of representatives of other important national institutions concerned with strengthening local government (for example, the Municipal Development Authority and *Municipium*)



HOW TO APPLY TO BECOME A CANDIDATE FOR THE PROGRAM

Gmina's interested in participating in this program should prepare an "Application Package" to be mailed *no later than October 31, 1996* to the:

Local Government Partnership Program
U.S. Agency for International Development
Aleje Jerozolimskie 56C
Warsaw, 00-803

The application package should include:

- **Cover letter**, signed by the mayor, formally requesting to be a candidate for LGPP assistance, and confirming the gmina's willingness to provide a reasonable level of matching resources as needed for successful project implementation and to participate in disseminating lessons learned from LGPP to other gminas.
- **Key Issues**. A description of how the mayor and other senior gmina managers see the key issues facing the gmina over the next five years that will drive their program for municipal strengthening. This should include assessments of positive opportunities as well as perceived problems and barriers and explain why the issues identified have been selected as priorities.
- **Municipal Strengthening Initiatives Already Underway**. Describe the improvement projects you have already initiated to address the key issues identified under point 2. For each, describe what you hope to accomplish (objectives), actions being taken to achieve those objectives, persons and organizational units responsible, any outside consultant services being employed, and the expected schedule.
- **Priority Initiatives for Which LGPP Assistance is Being Requested**. Describe one or more improvement projects for which you would like assistance from LGPP (topics must fall under one or more of the technical areas for assistance provided by LGPP listed earlier in this announcement). For each project proposed, explain specific types of assistance you think would be most helpful and what the gmina will contribute to make the project a success.

SELECTION OF CANDIDATES AND DEVELOPING PARTNERSHIP AGREEMENTS

Candidates for LGPP Assistance will be selected from among the applicants by a Recommending Committee, with advice from an Advisory Committee, who will make recommendations to USAID. Selections will be made based on the strength of the application received, but efforts will be made to assure that candidates are reasonably representative with respect to city size and region. It is expected that candidate selections will be announced on November 1, 1996.

After the candidate gminas have been identified, LGPP consultants will visit each of them in a phased schedule (December 1996 through March 1997). On the initial visit, consultants will discuss the activities for which assistance is desired in more detail with gmina leadership and develop a proposed work program. If the nature of the relationship and the work program are agreeable, an LGPP Partnership Agreement will be prepared to be signed on the next visit. It is unlikely that it will be possible to work out mutually acceptable agreements in all cases, but LGPP consultants will make every effort to engage all who have been identified as continuing partners in the program.